From: stoddard@mail.altelco.net@inetgw

To: Microsoft ATR

Date: 12/6/01 10:27pm

Subject: Microsoft comment

This is not about Microsoft being bad because they are Microsoft. This is

to point out that the Department of Justice is passing up an opportunity to make America a better place by re-introducing competition back into the PC

software industry.

If you look at the history of the software industry you will see that whatever

market Microsoft has decided to enter, competition dies. Look at spreadsheet

software: at one time Lotus (now IBM) ruled the market but had plenty of competitors. Microsoft entered the spreadsheet market and practically took

over the market in just a few years. They did the same thing with word processing software. Wordperfect (now Corel) was the market leader with a

healthy quantity of competitors. Microsoft entered the market and most competitors went out of business. The same happened with disk defragmenting

software. Many competitors until Microsoft entered the market.

The loss of competition in the office productivity software happened concurrently. What event caused all of this? Bundling of Microsoft applications on new PC's. At first they were not the best but they were "free"

and good enough. Why buy the best or even something else? Now everyone sticks

with Microsoft applications for "compatibility".

Everyone who buys a pre-made PC, as opposed to assembling out of parts, pays

a Microsoft "tax". Windows and some kind of Microsoft productivity application

are pre-loaded by the manufacturer. There are a few exceptions but none that

amount to more than a few percent of the market. Competition is lost.

Please take a look at the number of software companies today as opposed to

ten years ago. Also look at the average size of the top five companies in each category. Now look at the same information for today. I think you

will see a disturbing trend.